

Prospectus

As a business, organisations enter into various contracts with other organisation or end customers. These contracts can be related to a service that they are providing. Company has witnessed demand for liability policies that cover such contracts covering Breach of Service guarantees and compensates for financial losses incurred by such businesses or organisations.

The Contractual Liability Insurance cover indemnifies the Insured against contractual liability arising due to an event/risk mentioned under Contract which is part of the Policy Schedule.

I. What Can Be Covered?

This Policy covers service type of contracts, which will form part of the Policy Schedule, for all sums you become legally liable for any financial loss to the Contracting Party under Contract(s) issued during the Period of Insurance.

II. What Cannot Be Covered?

Any claim arising out of or on account of the following, whether directly or indirectly, shall be excluded under the Policy, unless specifically covered and mentioned in the Policy Schedule:

1. Any Contracts which are:
 - a. Verbal or oral;
 - b. Unconditional or deemed.
2. A claim where any liability under a Contract cannot be quantified, measured, or assessed.
3. Any claim arising due to unlawful act(s) or illegal activity(ies) including but not limited to criminal act(s) or intentional or fraudulent act(s) by you or your representative/employee or by the Contracting Party, including a family member, domestic help, employee or staff member of Contracting Party.
4. Any obligation, commitment, or act that the Contracting Party has not performed that he was supposed to perform as per the terms and conditions of the Contract.
5. Any claim arising due to a decision or action or omission of your employee(s) including directors, officers and/or managers.
6. Any claims or resultant liability in relation to costs which are recoverable from any other Third-Party, vendor or service provider under a separate contract or arrangement, including but not limited to any refund programme, warranty or insurance policy.
7. Any claims connected in any way to any incidents of theft, robbery or burglary.
8. Any claims made against you by a Third-Party, who is not the Contracting Party under the Contract.
9. **Consequential Loss:**
This Policy does not cover any liability arising as a consequence of "Illness and/or Injury" and/or "Property Damage", or any other liability arising out of losses which are consequential or indirect to the losses indemnifiable under this Policy.
10. **Any Form of Property Damage:** For the purpose of avoidance of any doubt, this shall exclude:
 - a. Any unexplained loss/damage/disappearance of a product covered under the Contract.
 - b. Any claim arising due to misuse, reckless, abusive, wilful or intentional conduct associated with handling and use of a product covered under the Contract.
 - c. Any latent / inherent defect or recall campaign in the event of mass failure of the products covered or any use other than in accordance with such product manufacturer's recommendation or use of any accessory which has not been approved by the manufacturer with the product.
 - d. Any Pre-Existing conditions in relation to damage or cosmetic issues including but not limited to peeling of paint, scratches and dents, that do not otherwise affect the functionality of the product.
 - e. Any product where identification could not be established at the time of claim as identification number (or any unique number used to similarly identify such product) has been altered, defaced or removed, except where product identification details could not be established due to damage by fire.
 - f. Any product that has been modified to alter its functionality or capability without the written permission of manufacturer.
 - g. Any claims not directly arising from your Contract, such as claims arising from any services rendered or the products offered by the Contracting Party onwards to other third parties or customers.
 - h. **Design, Material and Workmanship:** This Policy does not cover liability arising due to:
 - i. Any component part or individual item of product which is the subject matter of the Contract, and which is defective in design, plan, specification materials or workmanship; or
 - ii. Such product lost or damage to enable replacement, repair or rectification of the otherwise undamaged product excluded by (i) above.

Note: Clause (i) above shall not apply to other parts or items of product which are the subject matter of the Contract and which are free from defect but are damaged in consequence thereof. For the purpose of the Policy and not merely this Exclusion, product which is the subject matter of the Contract shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the product or any part thereof.

11. Asbestos:

This Policy does not cover any claim connected in any way with asbestos, or with any product or material containing asbestos.

TATA AIG GENERAL INSURANCE COMPANY LIMITED

Registered office: Peninsula Business Park, Tower A, 15th Floor, G.K Marg, Lower Parel, Mumbai - 400013, Maharashtra, India
 24*7 Toll free No.: 1800 266 7780 • Email: customersupport@tataaig.com • Website: www.tataaig.com • IRDA of India Registration No.: 108
 CIN: U85110MH2000PLC128425 • Contractual Liability Insurance - UIN: IRDAN108CPMS0003V01202425

12. Explosives:

This Policy does not cover any claim connected in any way with blasting operations or the handling or use of explosives.

13. Radioactive Contamination:

This Policy does not cover any claim directly or indirectly caused by, or contributed to, or arising from:

- a. Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or fission of nuclear fuel; or
- b. Radio-active toxic explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.

14. War:

This Policy does not cover any claim for any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

15. Professional Advice:

This Policy does not cover any claim arising out of or attributable to your giving or failure to give any professional advice in consideration for a fee or arising out of any error or omission in any such advice.

16. Specification, Formula or Design: This Policy does not cover claim arising directly or indirectly out of:

- a. Any design, plan, specification, formula or pattern that you provided for a fee; or
- b. Any error or omission associated with any such design, plan, specification, formula or pattern.

17. Legal Liability in Tort: This Policy does not cover any liability unless:

- a. You have expressly assumed it in Contract;
- b. The liability would not have attached in the absence of that Contract; and
- c. Agreed by us and mentioned in the Policy Schedule.

18. Penalties and Damages: This Policy does not cover liability for:

- a. Any aggravated or exemplary damages irrespective of whether agreed in the Contract and/or awarded by any Court of Law;
- b. Any fine; or
- c. Any liquidated damages or other penalty imposed under the terms of Contract, or any warranty or agreement.

19. Pollution: This Policy does not cover any claim arising directly or indirectly out of the discharge, dispersal, release, escape, removal, nullification, cleaning up or any measures taken to prevent escape of any pollutant, unless resulting from a sudden identifiable event:

- a. That you neither expected nor intended; and
- b. That took place in its entirety at a specific time and place.

'Pollutant' means any solid, liquid, gaseous, biological or thermal irritant or contaminant, including but not limited to dust, smoke, vapour, soot, fumes, chemicals, organisms or waste.

'Waste' includes but is not limited to any material destined to be recycled, reconditioned or reclaimed.

20. Breach of Contract: This Policy does not cover any liability arising due to your breach of Contract where:

- a. Liability is incurred due to your failure to arrange or maintain an insurance required by any law or statute; or
- b. Liability arises on account of violation of any legal and/or regulatory provision; or
- c. Any liability that would have been recoverable from the Contracting Party but for your release, waiver or limitation of that liability. However, this exclusion does not apply to any such waiver or limitation that is already agreed under the terms of the Contract itself; or
- d. Liability which is covered by any of the insurance policies listed in the Proposal Form or elsewhere in the information you provided to us

21. Injury to employees: This Policy does not cover:

- a. Any liability for injury to Insured's employee arising directly or indirectly out of the employment: or
- b. Any claim arising under any employee's compensation legislation or under any industrial award or agreement or determination; or
- c. Any claim that is or would be within the scope of any insurance cover mandated under any applicable law/regulation, irrespective of whether such insurance cover was maintained or not; or
- d. Any claim connected with an employee's Contract of Employment.

22. Cyber Loss:

This Policy does not cover any liability assumed by you from Cyber Loss caused by or arising from your Internet Operations.

'Internet Operations' means any of the following:

- a. The use of any electronic mail system by you or by anyone else at your order or with your consent; or
- b. Access through your network to the world wide web or a public Internet site by you or by anyone else at your order or with your consent; or

- c. Access to your internal company information and computing resources that is made available through the world wide web; or
- d. The operation and maintenance of your web site.

'Cyber Loss' means any loss, damage, liability, expense, fines or penalties or any other amount directly or indirectly caused by:

- a. The use or operation of any computer system or computer network;
- b. The reduction in or loss of ability to use or operate any computer system, computer network or data;
- c. Access to, processing, transmission, storage or use of any data;
- d. Inability to access, process, transmit, store or use any data;
- e. Any threat of or any hoax relating to (a) to (d) above;
- f. Any error or omission or accident in respect of any computer system, computer network or data.

'Computer System' means any computer, hardware, software, application, process, code, programme, information technology, communications system or electronic device owned or operated by the Insured or any other party. This includes any similar system and any associated input, output or data storage device or system, networking equipment or back up facility.

'Computer Network' means a group of computer systems and other electronic devices or network facilities connected via a form of communications technology, including the internet, intranet and Virtual Private Networks (VPN), allowing the networked computing devices to exchange data.

'Data' means information used, accessed, processed, transmitted or stored by a computer system.

23. Wilful Act:

Loss or damage caused by or arising out of your wilful act or any person acting on your behalf or Contracting Party including circumstances, facts or matters that you are or ought to be reasonably aware prior to the commencement of this Contract.

24. Uninsurable Risks:

Any loss deemed contrary to public policy or which is uninsurable under Indian Law.

25. Any loss arising out of an act of terrorism.

26. Communicable Disease Exclusion: Not with standing any other provision, clause or term of this Policy to the contrary, this Policy does not cover any Occurrence arising, whether directly or indirectly and/or in whole or in part, due to a Communicable Disease and/or any fear or threat thereof (whether actual or perceived).

For avoidance of doubt:

- (1) No other prior, concurrent or subsequent provision, clause, term or exception of this Policy (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this Policy;
- (2) Any change in the law clause or similar provision;
- (3) Any follow the fortunes clause or similar provision; and/or,
- (4) No change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any insurance, coverage or protection under this Policy that would otherwise be excluded through the Exclusion set forth in this clause.

If the Insurer alleges that by reason of this clause, any amount is not covered by this Policy, the burden of proving the contrary shall rest in the Insured.

III. Cancellation

- a) You may cancel the Policy any time by informing us. We shall refund proportionate premium for the unexpired Policy Period provided there is no claim(s) under the Policy.
- b) We can cancel the Policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Policyholder.
- c) Policyholder's Policy will automatically be cancelled from the time the following occur:
 - Business becomes insolvent or is wound up or is permanently discontinued or a liquidator, administrator, receiver, manager and/or trustee in bankruptcy is appointed to Policyholder or any of Policyholder's assets.
 - Aggregate limit of Indemnity is exhausted under the Policy.

IV. Making a Claim

- a) Inform us of such occurrence as soon as you can and in any event within a duration agreed and mentioned in the Policy Schedule of becoming aware of any such occurrence. We may, at our sole discretion, condone the delay in notification of claim on merits based on the reason for delay furnished by you to us in writing.
- b) Provide such written documents and information as we may require and, if asked, include verification of particulars on oath; and
- c) Take all steps within your power to minimize the extent of loss, damage or liability;
- d) Preserve any product affected (if applicable) and make it available for us or our representatives; and
- e) Inform the police if the loss or damage has been caused by any act purporting to be an offence under the applicable laws; and forward to us every letter, write, summons and process in relation to your claim as soon as you receive it; and
- f) Advise us in writing as soon as you receive notice of any prosecution or inquest that involves you and relates to your claim; and
- g) Provide any assistance that we may reasonably require.

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V. This Prospectus

This prospectus gives only information. This is not an Insurance Contract. Each insurance cover is subject to terms and conditions, which you can read in the Contractual Liability Insurance Policy document. You must read the Policy Document to know the insurance cover fully. You can get a copy of the Contractual Liability Insurance Policy from our branch or from our website <https://www.tataaig.com/>. For legal interpretation the Policy Document will hold.

VI. Grievances

If you have any grievance about any matter relating to the Policy, or our decision on any matter, or our decision about your claim, you can pursue your Grievance with

1. Our Grievance Redressal Officer
2. The Consumer Affairs Department of the Insurance Regulatory and Development Authority of India (IRDAI) - You can lodge your Grievance in the Integrated Grievance Management System (IGMS),
3. The Insurance Ombudsman, depending on the nature of the Grievance and the financial implications, if any, or
4. The Consumer Protection Forum or the Court.

About Our Company

TATA AIG General Insurance Company, which started its operations in India on January 22, 2001 offers the complete range of insurance for automobile, home, personal accident, travel, energy, marine, property and casualty, as well as several specialized financial lines.

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Prohibition of Rebates – Section 41 of Insurance Act, 1938 as Amended by Insurance Laws (Amendment) Act, 2015:

1. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the Policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.
2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Section 64 VB of the Insurance Act 1938: Commencement of risk cover under the policy is subject to receipt of premium by TATA AIG General Insurance Company Limited.

Disclaimer: Insurance is the subject matter of solicitation. For more details on benefits, exclusions, limitations, terms & conditions, please refer sales brochure/policy wordings on www.tataaig.com carefully, before concluding a sale. The trade logo displayed above belongs to TATA Sons Private Limited and AIG and is used by TATA AIG General Insurance Company Limited under License.

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